

Exhibit 48

Exhibit 3

**IN THE UNITED STATES DISTRICT
COURT FOR THE EASTERN DISTRICT OF
VIRGINIA
Richmond
Division**

RENEE GALLOWAY, <i>et al.</i> ,)	
)	
Plaintiffs,)	
v.)	Civil Case No. 3:18-cv-406
)	
BIG PICTURE LOANS, LLC, <i>et al.</i> ,)	
)	
Defendants.)	
)	

DECLARATION OF MICHELLE HAZEN

I, Michelle Hazen, affirm that I have personal knowledge of the matters set forth in this Declaration and if I am called as a witness I will testify competently to these matters based on my personal knowledge:

1. I am a member of the Lac Vieux Desert Band of Lake Superior Chippewa Indians (“LVD”), a federally recognized Indian tribe.
2. I have served on the LVD Tribal Council, the governing body of LVD, from 1994 to 2014 as the Tribal Secretary, and most recently as a Tribal Council member from 2016 to present.
3. Since it opened in the late 1990’s, LVD’s casino was a significant source of revenue for LVD.
4. After the 2008 recession, after making significant cuts to government programs and services due to drastically decreased casino revenue, the LVD Tribal Council began to explore other options to support its goals of self-sufficiency and self-determination. LVD developed a comprehensive economic development strategy to build a more diversified economy.
5. The LVD Tribal Council decided to start tribal online lending businesses to bring revenue to LVD that would advance the public health, safety, and welfare of LVD’s citizens through provision of essential governmental services.

6. In July 2011, the LVD Tribal Council passed LVD Council Resolution 2011-044 to create Red Rock Tribal Lending, LLC (“Red Rock”), as a wholly-owned tribal business entity authorized to engage in online lending.

7. I served as manager of Red Rock since its inception in 2011 until its dissolution on February 16, 2016.

8. To learn the lending industry, Red Rock contracted with Bellicose VI, LLC (“Bellicose”) for vendor management services, compliance management assistance, marketing material development, and the development of risk modeling and data analytics. Red Rock consulted with Bellicose about operations, but ultimately all decisions were made by Red Rock’s managers.

9. While Red Rock received advice and consulted with Bellicose about operations, all final decisions about operations were made by Red Rock’s managers.

10. As Red Rock’s manager, I was notified that Bellicose VI assigned its interest in the contract with Red Rock to SourcePoint VI, LLC (“SourcePoint”) on April 15, 2012. Red Rock has no role in Bellicose or SourcePoint’s decisions about the assignment.

11. After four years of operating Red Rock, LVD had gained considerable experience and knowledge about the sophisticated online lending industry. LVD looked to expand its online lending business to earn more money for LVD, to employ more members and area residents, and to acquire our vendors’ businesses so the lending would be more profitable.

12. In August 2014, LVD created Big Picture Loans, LLC (“Big Picture”), by passing LVD Council Resolution 2014-044.

13. I have served as the manager of Big Picture since August 2014.

14. Big Picture was created to be an online lending business in order to bring revenue to LVD that would advance the public health, safety, and welfare of LVD’s citizens through provision of essential governmental services.

15. In early 2015, LVD created Tribal Economic Development Holdings, LLC (“TED”), a wholly-owned and operated economic arm and instrumentality of LVD and Ascension Technologies, LLC, a wholly owned and operated subsidiary of TED.

16. Since February 2015, I have served as manager of TED.
17. Since February 2015, I have served as manager of Ascension.
18. Since December 2015, I have served as the Chief Executive Officer of Big Picture.
19. In my management roles for TED, Big Picture Loans, and Ascension, I am responsible for the day to day operations and management of each business entity.
20. To help reach the LVD's long term economic development goals, LVD bought Bellicose which included SourcePoint. LVD bought Bellicose (through a seller-financed transaction) to acquire its intellectual property related to online lending, as well as its existing data, software, processes, and corporate goodwill. LVD had no resources to collateralize or otherwise secure a loan, so a seller-financed transaction presented the opportunity for the acquisition. At the time of the sale, Bellicose was estimated to be worth over \$100 million, while Bellicose was estimated to be worth \$300 million in seven years. The loan is structured for a seven-year term and contains a sunset provision that terminates all obligations—that is to say the loan is not for a definite amount, and based on the past two years' performance, LVD will likely pay far less than \$300 million for a very valuable asset.
21. On February 16, 2016, Red Rock assigned most of its consumer loans and obligations to Big Picture and wrote off the unassigned loans as bad debt. Then Red Rock dissolved.
22. After the acquisition was complete, Matt Martorello's relationship with the tribe changed from a consultant in his role with Bellicose and SourcePoint, to a creditor, as President of Eventide Credit Acquisitions, LLC. Since the tribe bought Bellicose, Martorello has had no involvement in any aspect of Big Picture or Ascension's operations. Other than basic rights under the loan agreement that allow Eventide to monitor its security interest in the loan, Matt Martorello has no authority over Big Picture.
23. Ascension's managers cooperate to ensure the operation is successful by each handling a different aspect of Ascension: one functions onsite overseeing employees, marketing, customer and applicant matters, budgeting, website operation, office materials, etc., while the other manages outreach, recruiting investors, and soliciting vendors, mentoring industry best practices; managing relationships with banks, other tribal officials, and other tribal consumer financial service providers.

24. Currently, Big Picture employs eighteen employees that all work on LVD's reservation.

25. Ascension is headquartered on LVD's reservation and Ascension currently employs thirty-five employees.

26. Red Rock spent approximately \$1.4 M per month on services from SourcePoint, but Big Picture only spends on average \$224,262.71 per month on better services through its relationship with Ascension, which means approximately \$1.2 M in savings per month which are realized by LVD thus increasing the distribution to TED.

27. Big Picture uses capital from private investors such as hedge funds, individuals, trusts, and businesses. These investments are made through loan and security agreements and promissory notes, and Big Picture bears the responsibility to its investors.

28. Big Picture's offices and employees are located on the Reservation.

29. Big Picture's websites are hosted on servers that are located on the Reservation.

30. All loans are originated on the Reservation after applications are approved by Big Picture employees located on the Reservation.

31. Big Picture provides consumer installment loans in amounts allowed under LVD law.

32. Big Picture's profits have totaled \$46,397,315.04 to LVD. Those funds have been used to fund law enforcement, home ownership programs, health care, education funding, and programs to maintain LVD's culture and history and also to pay down its Note to Eventide. Profits have also been used to fund a new healthcare clinic.

33. Because of the complex and sophisticated nature of Ascension's services, LVD's appointed President, and many of Ascension's employees, are highly educated, highly skilled, and highly experienced in very specific industry-necessary areas. The pool of candidates in these fields is small and LVD was fortunate that 18 of Bellicose's employees accepted positions with Ascension after LVD bought Ascension.

34. The process for taking out a loan from Big Picture loans is as follows:

- a. Consumers can apply for loans on Big Picture's website:
www.bigpictureloans.com, The website's servers are located on the LVD reservation.

- b. A completed loan application is reviewed by Big Picture using an extensive software-based underwriting process until Big Picture either accepts or declines the loan application.
- c. If the loan application is accepted several additional steps take place for each and every loan transaction.
 - i. First, the website prompts the applicant to select their desired loan amount.
 - ii. Second, Second, the website prompts the applicant to select the term of the loan and Big Picture provides an estimated annual percentage rate depending on the underwriting determination of the consumer's ability and willingness to repay.
 - iii. Third, he website requires the applicant to review the loan agreement contains the annual percentage rate of the loan, the payment schedule and several other disclosures contained in the loan agreement.
 - iv. Fourth, the website requires the applicant to acknowledge and agree to the loan agreement, including but not limited to the governing law and forum selection, waiver of jury trial, and tribal dispute resolution procedure.
 - v. Fifth, the website requires the applicant to acknowledge and agree that they have read and agree to Big Picture's Privacy Disclosures.
 - vi. Sixth, before electronically signing the loan agreement, the website requires the applicant to selects their payment method.
 - vii. Seventh, once the applicant signs the loan agreement, Big Picture's on Reservation employees perform a final verification of the applicant's information in the loan agreement, the e-signature, the due dates, the payment schedule, bank information, that the terms and conditions of the loan were agreed to as well as other personally identifying information.
 - viii. Eighth, Big Picture's on-Reservation employees approve the loan transaction by reviewing the loan agreement one last time, and

manually typing in the date to disburse the funds thereby authorizing the electronic approval of the loan agreement. This approval results in loan origination and causes the loan proceeds to be sent to the customer through a contracted third-party payment processor receiving instructions and information created and sent by Big Picture's on Reservation employees.

- d. If the loan application is denied, the consumer receives a notice of the denial.

35. Big Picture's revenue goes to support LVD government essential services and support the LVD community in the following ways:

- a. Big Picture provides funds that support for more than twenty essential tribal government services, including LVD's housing program, the tribal court, the tribal police department, LVD's new health clinic and pharmacy, member enrollment services, family services, infrastructure, cultural and historical preservation, education, and basic government operations;
- b. Big Picture helped the tribe meet requirements necessary to secure \$14.1MM in financing for LVD's new health clinic and to refinance casino debt;
- c. The money helps fund college scholarships and pay for educational costs for members such as student housing, books, school supplies and equipment;
- d. It has helped create home ownership opportunities for members through tribally-purchased homes and also subsidized members' home purchases and rentals;
- e. Big Picture provided a bridge loan to complete the new LVD health clinic that offers medical, dental, optical, chiropractic, pharmacy, and cultural healing services to the regional community;
- f. It has helped fund new vehicles for the LVD Police Department;
- g. It has helped fund an Ojibwe language program and other cultural programs;
- h. Several social services programs receive revenue: foster care payments for eligible children, propane purchase assistance, assistance for family care outside of the community, as well as cover burial and other funeral expenses for members' families;
- i. Money has helped fund renovations and new office space for the Tribe's Social Services Department;

- j. It has helped fund youth activities;
- k. The tribal court has been able to renovate a new space and bring in telecom services for remote court proceedings: and,
- l. Big Picture has helped fund Tribal Elder nutrition programs and Tribal Elder home care and transport services.

36. Any judgment impeding the lending operation will take much more—LVD will lose its distributions, its investment into Big Picture, its equity in its businesses, and likely default on the loan to Eventide as well as the loans that exist with its capital investors.

37. Big Picture currently maintains an operating account with local regional bank, and all consumer loans are funded through this operating account. All consumer payments, payroll, vendor payments, investment deposits, and distributions to TED are made through this account. At all times, the account maintains sufficient funds to support Big Pictures operations. I am a signer on bank accounts owned by TED, Ascension and Big Picture.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge, information and belief.

By: Michelle Hazen
Michelle Hazen